

MINUTES OF THE
MAG MANAGEMENT COMMITTEE MEETING
November 9, 2005
MAG Office Building - Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mike Hutchinson, Mesa, Chair	Mark Johnson, Guadalupe
Ed Beasley, Glendale, Vice Chair	Darryl Crossman, Litchfield Park
# George Hoffman, Apache Junction	Tom Martinsen, Paradise Valley
Stephanie Prybyl for Charlie McClendon, Avondale	Terry Ellis, Peoria
Carroll Reynolds, Buckeye	Frank Fairbanks, Phoenix
* Jon Pearson, Carefree	# Cynthia Seelhammer, Queen Creek
* Usama Abujbarah, Cave Creek	* Bryan Meyers, Salt River
Mark Pentz, Chandler	Pima-Maricopa Indian Community
* B.J. Cornwall, El Mirage	Jan Dolan, Scottsdale
* Orlando Moreno, Fort McDowell Yavapai Nation	Jim Rumpeltes, Surprise
Tim Pickering, Fountain Hills	Will Manley, Tempe
* Lynn Farmer, Gila Bend	* Reyes Medrano, Tolleson
* Urban Giff, Gila River Indian Community	* Shane Dille, Wickenburg
George Pettit, Gilbert	Mark Fooks, Youngtown
Stephen Cleveland, Goodyear	Dale Buskirk for Victor Mendez, ADOT
	David Smith, Maricopa County
	David Boggs, Valley Metro/RPTA

* Those members neither present nor represented by proxy.

Participated by telephone conference call.

+ Participated by videoconference call.

1. Call to Order

The meeting was called to order by Chair Mike Hutchinson at 12:20 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Hutchinson announced that George Hoffman and Cynthia Seelhammer were attending via teleconference. Chair Hutchinson stated that transit tickets were available from Valley Metro/RPTA for those using transit to come to the meeting. Parking validation was available from MAG staff for those who parked in the parking garage. Chair Hutchinson stated that the addendum to the agenda, item #5K, and material for agenda item #10 were at each member's place.

3. Call to the Audience

Chair Hutchinson stated that Call to the Audience provides an opportunity to the public to address the Management Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Chair Hutchinson noted that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard. Public comments have a three minute time limit and there is a timer to help the public with their presentations. Chair Hutchinson stated that for members of the audience who wish to speak, comment cards were available from the staff.

Chair Hutchinson recognized public comment from Dianne Barker, who expressed her thanks for the transit tickets. She encouraged using inspiration and motivation for increasing alternative transportation. Ms. Barker said that she had received a call from Mr. McKnight on how to siphon off 50 percent of traffic. She commented that Mr. McKnight is very knowledgeable about the state of Arizona, and knows every back road. Ms. Barker noted upcoming MAG meetings. Ms. Barker commented on bonding if you cannot meet expenses. She stated that she thought there was a mistake on page five of the Annual Report where it says that the remaining projects in the Proposition 300 will be completed by mid-2008 and costs for the program are in balance with projected future funds available. Ms. Barker noted that the report goes on to say that program costs for the completion of the Proposition 300 Program are in balance with the projected future funds available, with costs exceeding available funds by about one-half of one percent. Chair Hutchinson thanked Ms. Barker for her comments.

Chair Hutchinson recognized public comment from William Crowley, who commented that 150 square miles of the region are not represented on the MAG bike map. He said that the supergrid only goes to the same line. Mr. Crowley asked if intersections and roadways are being upgraded, don't you want buses to go there also? Mr. Crowley commented that 4,000 out of 7,000 bus stops are not covered. He requested that the situation be reappraised, because people need to be covered first, before cars. Mr. Crowley added that when it is 117 degrees and no shade, people die. Chair Hutchinson thanked Mr. Crowley for his comments.

4. Executive Director's Report

Dennis Smith reported that the 2005 MAG Continuum of Care Regional Committee on Homelessness Annual Appreciation Luncheon was held on Friday, November 4, 2005. He stated that the Continuum of Care works on the Stuart B. McKinney grants each year. Last year, the Continuum was successful in bringing about \$20 million of these grants to the MAG region. Mr. Smith noted that many elected officials attended the event. He expressed appreciation to Jerry Bisgrove from the Stardust Foundation for his sponsorship of this event and commitment to sponsor this event for the next five years. Mr. Smith noted that Gregg Holmes, who presented information to MAG committees on workforce housing, is involved in the Foundation. Mr. Smith stated that Phoenix Councilmember Greg Stanton spoke about his immersion experience in which he was homeless for a 24-hour period in an effort to better understand homelessness. Mr. Smith stated that the Maricopa County Board of Supervisors and Maricopa County Manager David Smith were acknowledged with Star Awards for their efforts and dedication to the Human Services Campus.

Mr. Smith noted that the November 16, 2005 Transportation Policy Committee meeting has been canceled. He advised that due to the December 21, 2005 meeting being close to the holiday season, it is anticipated that this meeting also will be canceled. Mr. Smith noted that during the time the TPC is not meeting, ADOT and Associated General Contractors are forming a stakeholders group to examine possible improvements to enhance the current construction delivery system. Chair Hutchinson thanked Mr. Smith for his report. No questions from the Committee were noted.

5. Approval of Consent Agenda

Chair Hutchinson stated that public comment would be heard before action was taken on the consent items. Each speaker is provided with a total of three minutes to comment on the consent agenda. After hearing public comments, any member of the Committee can request that an item be removed from the consent agenda and considered individually. Chair Hutchinson stated that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, #5I, #5J, and #5K were on the consent agenda.

Chair Hutchinson recognized public comment from Mr. Crowley, who voiced his concern that all of the action items are on the consent agenda which means that there are only three minutes to comment on all of the items. Mr. Crowley wondered if the park and ride lot at 19th Avenue and Peoria was related to light rail not going across I-17. He said if it is called the Metrocenter Extension you would figure it would go there. Mr. Crowley pointed out that the map shows light rail goes to Metrocenter, but the document says it stops in the Metrocenter area. He stated that light rail needs to go across I-17 to the Metrocenter transit center, and he added that a lot of money was recently spent for improvements to the center. Mr. Crowley stated that ADOT needs to understand that the bridge needs to be strengthened to accommodate light rail. Chair Hutchinson thanked Mr. Crowley for his comments.

Chair Hutchinson asked members if there was discussion on any of the consent agenda items. Mr. Buskirk requested that agenda item #5D be removed from the consent agenda. He explained that he would be abstaining from the vote because ADOT will be reviewing that classification at a later date.

Mr. Pettit moved to recommend approval of consent agenda items #5A, #5B, #5C, #5E, #5F, #5G, #5H, #5I, #5J, and #5K. Mr. Pickering seconded, and the motion carried unanimously.

5A. Approval of October 12, 2005 Meeting Minutes

The Management Committee, by consent, approved the October 12, 2005 meeting minutes.

5B. Consultant Selection for the MAG Human Services and Senior Transportation Assessment and Coordination Project

The Management Committee, by consent, recommended approval of selecting RLS and Associates, Inc. for the MAG Human Services and Senior Transportation Assessment and Coordination Project for an amount not to exceed \$65,000. The FY 2005 MAG Unified Planning Work Program and Annual Budget, approved by the MAG Regional Council, includes \$65,000

of Surface Transportation funding for the development of the MAG Human Services and Senior Transportation Assessment and Coordination Project. The purpose of the project is to develop recommendations on coordinating a human services transportation plan in conjunction with the state Arizona Rides program and the federal United We Ride program. A request for proposals was advertised and two proposals were received. A multi-agency review team evaluated the proposals and recommended to MAG the selection of RLS and Associates, Inc.

5C. Proposed Amendment and Administrative Adjustment to the FY 2006-2010 Transportation Improvement Program (TIP) for Highway and Transit Projects

The Management Committee, by consent, recommended approval of a TIP Amendment and Administrative Adjustment to the FY 2006-2010 MAG Transportation Improvement Program to add one new Safety (STP-HES) Funded project and one new High Priority (HPP) Funded project in Phoenix and one new Enhancement (STP-TEA) Funded project in Scottsdale and to make several adjustments to transit projects, and changes to existing highway projects as shown in the attached tables. Since approval of the Transportation Improvement Program (TIP) in July 2005, MAG has been notified of two projects from Phoenix and one from Scottsdale that need to be added to the TIP. A TIP Amendment is necessary to carry out these additions. Furthermore, there are several other changes needed that can be accomplished by means of an Administrative Adjustment. These include: (1) several changes to the funding of Valley Metro transit projects; (2) the deferral of two projects in Tempe and one in Paradise Valley; (3) a change to the funding of an intersection project in Mesa; (4) a restructure of a project in Glendale to advance design a FY 2009 project to FY 2006; (5) and a change to the funding of an ADOT Santan freeway project. Consultation on the air quality conformity assessment for both of the proposed Amendment and Adjustment changes is considered under a separate agenda item. The TRC recommended approval of the project changes described above.

5E. Request by Gila Bend to Utilize the HURF Exchange Mechanism

The Management Committee, by consent, recommended approval of allowing Gila Bend to utilize the HURF Swap mechanism for the project along Martin Avenue in the vicinity of Pima Street, also known as State Route 85, and to authorize a TIP Administrative Adjustment to allow the project to proceed. The FY 2006-2010 MAG TIP was approved by the Regional Council on July 28, 2005. The TIP contains a Gila Bend project to carry out pedestrian improvements to a facility along Martin Avenue in the vicinity of Pima Street, also known as State Route 85. This project is currently funded with \$188,600 in MAG Surface Transportation Program (STP) funds and a local match of \$11,400. The Town would like to take the option to exchange the STP-MAG funds for State Highway User Revenue Funds (HURF) utilizing the HURF Swap mechanism. This would allow the Town to develop the project as a locally funded project and not as a federally funded project, which simplifies the process. ADOT could then utilize the STP funds wherever they feel is appropriate on another part of the State highway system. Generally, MAG member agencies are not eligible to utilize the HURF Swap option, but the funds concerned are a special subset of STP funds (known as "Outside Urban" funds, or State-Flex funds) and are therefore eligible for this exchange program. A TIP Administrative Adjustment is also requested to allow this project to proceed. The Street Committee and the TRC unanimously recommended approval.

5F. Conformity Consultation

MAG is conducting consultation on a conformity assessment for an amendment to the FY 2006-2010 MAG Transportation Improvement Program. The proposed amendment includes new Safety and Transportation Enhancement funded projects for addition to FY 2006. In addition, some projects that were previously requested for deferral, need to be added to the TIP. The amendment includes projects that are categorized as exempt from conformity determinations and minor project revisions that do not require a conformity determination. This item was on the agenda for consultation.

5G. Update on Critical Issues with the Maricopa County Dust Control Program

Maricopa County has continued its efforts to address the enforcement of the Maricopa County Dust Control Rules. In total, the County Dust Control Program has 40 positions: 30 positions are filled and 10 are vacant. The recruitment notice for the remaining ten vacant positions was posted October 28, 2005. This item was on the agenda for information and discussion.

5H. Draft MAG 208 Water Quality Management Plan Amendment for the City of Glendale West Area Water Reclamation Facility Arizona Pollutant Discharge Elimination System Permit Discharge

The Management Committee, by consent, recommended approval of the Draft MAG 208 Water Quality Management Plan Amendment for the City of Glendale West Area Water Reclamation Facility Arizona Pollutant Discharge Elimination System Permit Discharge. The City of Glendale is requesting that MAG amend the 208 Water Quality Management Plan to include the West Area Water Reclamation Facility Arizona Pollutant Discharge Elimination System Permit Discharge. The project is within three miles of the City of Avondale, City of El Mirage, City of Litchfield Park, City of Peoria, City of Phoenix, Luke Air Force Base, and unincorporated Maricopa County. To date, six of the seven entities have indicated that have no objections. A public hearing on the draft amendment was conducted on October 12, 2005. Following the hearing, the MAG Water Quality Advisory Committee unanimously recommended approval of the Draft 208 Plan Amendment.

5I. Proposed 2006 Revisions to MAG Standard Specifications and Details for Public Works Construction

The MAG Standard Specifications and Details Committee has completed its review of proposed 2006 revisions to the MAG Standard Specifications and Details for Public Works Construction and these revisions are currently being reviewed by MAG Member Agency Public Works Directors and/or Engineers. It is anticipated that the annual update packet will be available for purchase in early January 2006. This item was on the agenda for information and discussion.

5J. Status Report on 2005 Census Survey

The 2005 Census Survey is now in progress. The results of the survey will be used to distribute billions of dollars in state shared revenue to cities and towns from 2006 to 2011. On August 30, 2005, the Census Bureau mailed out the 2005 Census Survey questionnaires to randomly

selected households in Maricopa County. On September 22, 2005, the Census Bureau mailed the 2005 Census Survey questionnaire a second time to those households that did not return their first census questionnaire. Mail returns of the questionnaires are nearing completion and telephone follow-up is being conducted up to November 6, 2005. Where there is no response to the telephone calls or phone numbers are not available, the Census Bureau will need to conduct a personal visit. It is anticipated that field work will be completed by Thanksgiving. For its original estimate, the Census Bureau assumed that 50 percent of the questionnaires would be returned by mail, 25 percent of the responses would be handled by telephone and 25 percent by a personal visit. As of October 27, 2005, the Census Bureau's revised estimate shows 46 percent of the questionnaires completed by mail, 8 percent completed by telephone interview and 46 percent completed by a personal visit. The cost for the 2005 Census Survey and count of population in group quarters has been estimated at \$7.7 million. The Federal Highway Administration (FHWA) has authorized the use of FHWA funds to cover a portion of the estimated cost, while the remaining estimated cost will be incurred by MAG member agencies. The help and support of MAG member agencies, especially pertaining to creating address files for Census Bureau use, helped to keep initial cost increases down. MAG staff is meeting with the Census Bureau twice a week to discuss measures to control costs. The final costs will be based upon expenses actually incurred by the Census Bureau and will be determined in 2006. The goal of promotional and publicity efforts is to emphasize the importance of the 2005 Census Survey results to Valley residents and encourage those receiving a Census Survey to return their questionnaires or cooperate with a census enumerator who contacts them via phone or in person. Additional publicity efforts are crucial to control Census Bureau costs. The Census Bureau tracked return rates of the 2005 Census Survey mail questionnaire. MAG used the return rate data to create maps for each member agency. The maps identified census tracts that had low return rates of the 2005 Census Survey. Using the maps, member agencies increased publicity efforts by placing census door hangers, fliers and brochures in areas that had a low return rate of the 2005 Census Survey. Census publicity efforts continue. Many member agencies promoted the 2005 Census Survey at their Getting Arizona Involved In Neighborhoods (GAIN) events in October. In addition, census information was provided to citizens at the Arizona State Fair on October 29-30, 2005.

5K. Amendment of the FY 2006 MAG Unified Planning Work Program and Annual Budget to Accept Additional Funds to Support the MAG Human Services Program

The Management Committee, by consent, recommended approval to amend the FY 2006 MAG Unified Planning Work Program and Annual Budget to accept \$16,732 from the Arizona Department of Economic Security for regional homeless planning and to accept an amount up to \$10,000 from the Stardust Foundation for the annual Continuum of Care luncheon. MAG has recently received notice from the Arizona Department of Economic Security that \$16,732 is being provided to MAG for regional homeless planning. The Stardust Foundation has also notified MAG that it will reimburse MAG up to \$10,000 in costs for the annual Continuum of Care luncheon to support homeless advocacy efforts. It is necessary to amend the FY 2006 MAG Unified Planning Work Program and Annual Budget to receive these funds.

5D. Requested Changes to Federal Functional Classification of Roads

This item was removed from the consent agenda.

MAG member agencies recently submitted requests for upgrades to the functional classification of rural roadways in the region. In addition, the City of Scottsdale has requested a change to downgrade an urban road segment from urban collector to local street. The MAG Street Committee and the TRC unanimously recommended concurrence with these changes. Upon concurrence by the MAG Regional Council, these requested changes will be forwarded to ADOT for further action.

Chair Hutchinson asked Mr. Buskirk if he requested a presentation on agenda item #5D. Mr. Buskirk replied that a presentation was not necessary.

Mr. Pettit moved to recommend concurrence with the changes in Federal Functional Classification as recommended by the TRC and as shown in the attached map. Mr. Manley seconded. Chair Hutchinson asked if there were questions.

Mr. Cleveland asked how many road segments were on the map being considered. Paul Ward replied there were about 40 to 50. Mr. Cleveland suggested that a list of the roads might be helpful to include in the Regional Council agenda packet.

Mr. Pettit amended his motion to include that stipulation. Mr. Manley, as second, agreed. The vote taken on the motion passed, with Mr. Buskirk abstaining.

6. Annual Report on the Implementation of Proposition 400

Roger Herzog stated that A.R.S. 28-6354 requires that MAG issue an annual report on the status of projects funded by the sales tax. He stated that the report also includes changes to the RTP and plan priorities, and project financing. Mr. Herzog noted that the RTP Partners group, composed of representatives from MAG, ADOT, RPTA, and Valley Metro Rail, has been meeting to coordinate the implementation of Proposition 400 and provide input to the Annual Report.

Mr. Herzog stated that the Annual Report will be updated for each fiscal year from FY 2006 through FY 2026. He said that the Annual Report represents a snapshot at a particular point in time and includes information through FY 2005. He noted that the remaining Proposition 300 projects, which MAG is required to report on, are also included in the Annual Report. Mr. Herzog indicated that a Public Hearing on the Report will take place November 14, 2005.

Mr. Herzog displayed a chart of the funding sources for FY 2006 to FY 2026, totaling \$31.7 billion, and uses of the funds. He noted that the use of funds includes an allowance for inflation, debt service, and return of principal.

Mr. Herzog reviewed the Freeway/Highway Program. He said that ADOT put together a life cycle program for the freeway/highway portion of the Plan and hired three management/engineering consultants. Mr. Herzog stated that \$279 million for litter pickup and landscape maintenance and \$75 million for noise mitigation are included in Proposition 400 funding. He stated that the TPC Freeway Maintenance/Noise Mitigation Subcommittee was formed to make recommendations on these two programs.

Mr. Herzog stated that ADOT has a number of preliminary engineering projects underway, which include design concept reports and environmental assessments for I-17, Loop 101 to the Carefree Highway; Loop 101, Princess Drive to Loop 202; and SR-51, Loop 101 to Shea Boulevard. He added that studies are also underway on Loop 303, the South Mountain Freeway corridor, and I-10.

Mr. Herzog indicated that the Proposition 300 Regional Freeway Program is almost complete, with segments remaining on the Santan and Red Mountain. He said that the Red Mountain Freeway completion is anticipated in mid-2008. Mr. Herzog displayed a chart that showed the funding sources and uses for the freeway/highway program from FY 2006 to FY 2026.

Mr. Herzog then addressed the Arterial Streets Program in the Annual Report. He stated that local jurisdictions will implement the projects in the program. Mr. Herzog stated that the Arterial Program Policies and Procedures were approved in June 2005 and the Arterial Life Cycle program was adopted in October 2005. Mr. Herzog stated that a number of project assessments have been prepared by member agencies to identify project design concepts and costs. The project assessments will be used in the development of project agreements. Mr. Herzog noted that federal funding legislation was recently reauthorized and the program will be refined based on the amount that the region receives. Mr. Herzog stated that work continues on drafting the model project agreement. He displayed a chart of funding sources and uses for the Arterial Street Program for FY 2006 to FY 2026, totaling \$3 billion, that shows the program is in balance.

Mr. Herzog then reviewed the Transit Program in the Annual Report. He said that the Valley Metro Board adopted the program's guiding principles, financial model, and the program policies. Mr. Herzog stated that staff are working on bus service planning, park and ride predesign, and LRT standards and system studies. He noted that the LRT 20-mile minimum operating segment is expected to be completed in December 2008. Mr. Herzog displayed a chart of funding sources and uses of the Transit Program for FY 2006 to FY 2026.

Mr. Herzog addressed the key findings of the report. He said that the report found that a strong coordination effort is being pursued by the agencies implementing Proposition 400, of which the RTP Partners is an important element. He advised that the report found that the life cycle programming process has been initiated for all transportation modes, in keeping with state statute; the preliminary life cycle programs are consistent with the RTP and costs are in balance with projected revenues; and construction on the Proposition 300 Freeway Program will be completed by mid-2008 and costs are in balance with available revenues.

Mr. Herzog then reviewed future issues found by the report. He said that potential cost of future right-of-way will require careful monitoring and may warrant periodic program adjustments; material prices are facing an environment of global competition and limits on supply, affecting future construction costs and cost/revenue balance; the Federal New Starts Program for light rail may have a major effect on the schedule for implementing LRT route extensions; minimizing "scope creep," which is expansion of projects, will be a continuing challenge. Chair Hutchinson thanked Mr. Herzog for his report. No questions from the Committee were noted.

7. Commuter Rail Update

Eric Anderson gave an overview of commuter rail. He said that the High Capacity Transit (HCT) Study was completed in 2003, and as a result of the study, \$5 million was placed in the Regional Transportation Plan to examine future implementation issues regarding commuter rail. Mr. Anderson advised that if further action on commuter rail is desired by member agencies, an update of commuter rail information could be considered as a consultant study in the FY 2007 MAG Unified Planning Work Program and Annual Budget.

Mr. Anderson stated that the commuter rail piece of the HCT study involved a comparison of commuter rail and light rail characteristics, a summary of commuter rail operations in other areas, an inventory and evaluation of rail infrastructure in the MAG region, ridership projections based on 2040 population and employment projections, cost estimates for commuter rail capital and operations by corridor. Mr. Anderson also reported on the Trinity Railway Express in Dallas.

Mr. Anderson showed a table of operating data for peer commuter rail systems in Los Angeles, San Diego, San Jose, Dallas, Chicago, and Toronto. He stated that commuter rail and light rail are complementary to each other; commuter rail is for longer trips and light rail is for shorter trips. Mr. Anderson noted that the average trip length for commuter rail was 25 miles with an average distance between stations of about five miles. He said that the light rail commutes average about five miles with stations located one mile or less apart.

Mr. Anderson showed a map of rail service in the MAG region, which is served by the Burlington Northern Santa Fe (BNSF) and the Union Pacific (UP). He stated that the BNSF line from Phoenix to Wickenburg is a single track of about 53 miles in length with 55 at-grade street crossings. He noted that about five trains per day use the track, although this number might have increased since the study was done. Mr. Anderson noted that the right-of-way is 100 feet wide, making the installation of another track possible. The track does not have an existing train signal system, which would probably be necessary for commuter rail service. Mr. Anderson stated that the corridor has a maximum speed of 49 miles per hour, although for most of the track in the more populated areas the speeds are closer to 15 to 25 miles per hour. Mr. Anderson noted that freight traffic has a priority use for the track.

Mr. Anderson then spoke about the BNSF yard facilities. He said that BNSF has a maintenance and switch yard facility near 19th Avenue and McDowell Road. Another facility, at 51st Avenue along Grand Avenue, is used to load and unload truck trailers onto the rail line, which could be an impediment to commuter rail operations. Mr. Anderson stated that the BNSF operating facilities are at capacity and BNSF has plans to move most of its operations farther out on the Grand Avenue corridor.

Mr. Anderson noted that upgrades or changes in the BNSF corridor that would be desirable for implementing commuter rail include installing a train signal control system, laying a second track, lengthening sidings, and reducing main track switching activity by moving BNSF operations. He added that the right-of-way is suitable for accommodating another track.

Mr. Anderson stated that the UP track is about 75 miles long and includes 109 mainline grade crossings. It is a single-track configuration with sidings to allow trains to pass at certain points. Mr. Anderson said that the mainline is signalized and has a speed limit that varies from 15 to 60 miles per hour, with lesser speeds at grade crossings. The right-of-way is generally 100 feet wide. He said that when the HCT study was done, the UP operated about six trains per day.

Mr. Anderson stated that the principal UP operating yard is located in downtown Phoenix, bounded by 7th Street and 16th Street. He stated that changes in the UP corridor that would be desirable for implementing commuter rail include upgrading rails and replacing ties, replacing the signal systems, and good coordination with freight traffic.

Mr. Anderson stated that there are operational issues common to both companies that would need to be addressed, including the ownership (whether an agency purchases or leases the line), liability and risk management, freight/passenger capacity conflicts, grade crossings, noise impacts, station impacts, capital needs, operating and maintenance costs, and governance structure.

Mr. Anderson stated that ridership projections were produced based in the interim population and employment projections. Phase 1 was based on 2020 projections with three inbound and three outbound peak hour daily trains. Phase 3 was based on the 2040 population and employment forecasts with full commuter service.

Mr. Anderson then addressed cost estimates for commuter rail capital and operations by corridor. He stated that Phase 1 capital costs for BNSF are estimated at more than \$300 million, with a little less for UP. Mr. Anderson reviewed the projected operating costs by corridor.

Mr. Anderson spoke about the Dallas Area Rapid Transit (DART), which operates fixed route bus service, as well as light rail transit (LRT) and commuter rail. He displayed a chart of the operating subsidy per passenger for the various transit services provided by DART.

Mr. Anderson stated that the commuter rail study update could include a review of peer commuter rail systems, an inventory of rail infrastructure and operations, including freight, which was not included in the HCT study, updated ridership projections, capital and operating costs, and implementation steps over the next decade or so. Mr. Anderson stated that there will most likely be discussion with ADOT on rail on a statewide basis. He said that a group of stakeholders could be formed to assist in the development of the scope of work if the consultant study is done.

Mr. Rumpeltes suggested including a review of funding options to ensure there is no competition with funding for freeways and light rail.

Mr. Fooks asked for clarification of uses for the \$5 million in the RTP for commuter rail. Mr. Anderson stated that the \$5 million was put into the RTP for implementation, and could be used for advance planning, contract negotiations, etc. He added that it was not allocated to a particular year, but over 20 years. Mr. Anderson commented that the study update is estimated to cost approximately \$300,000 to \$500,000. He said that the study would provide an understanding of the approach, then the \$5 million could be used for implementation. Mr. Fooks

asked what would be needed to process this sooner than next year. Dennis Smith replied that staff proposes this be considered on the January 2006 agenda. He said that a stakeholders group could start discussion on the scope of work and have the recommendation for the selection of a consultant in June or July.

Mr. Rumpeltes asked if the study update could look at the demographics of users and what drives demand to see if results would be more positive than the last study. Dennis Smith commented that staff thinks that a statewide look is probably needed. He added that the area west of the White Tanks would be studied. Mr. Smith noted that because of geographic features only I-10 and Bell Road have through-access.

Mr. Buskirk commented that a number of studies on rail have been conducted over the past 20 years. He suggested one thing to include in the scope would be the review of these earlier works.

8. Presentation and Discussion on the Cost Estimation Process for Freeway Projects

Mr. Anderson gave an overview of highway construction costs. He said that supply and demand are affecting material costs. He said that transportation costs, material availability, increasing demand for materials from China and the Pacific rim countries, the Gulf Coast rebuilding, the 75 percent tariff on Mexican cement, railroad capacity, and energy are all factors in rising costs.

Mr. Anderson stated that there have been recent significant increases on cement, aggregate, steel, lumber, petroleum products, and PVC conduit. For example, the cost for cement was \$100 per ton in August and \$117 per ton in October. Steel rose from 55 cents per pound in 2003 to \$1.03 per pound in 2005. Mr. Anderson stated that the cost of aggregate, which is used in concrete, increased 30 percent in the past year due to processing and hauling costs and reduced availability of sources. Mr. Anderson noted that difficulties in obtaining governmental permits due to environmental concerns also added to the cost of aggregate. He added that PM-10 is a great concern for this region. Mr. Anderson stated that another significant factor is the price of diesel fuel, which increased 70 percent in the past year.

Mr. Anderson stated that even though there are thousands of people moving here there still is a shortage of skilled available labor. He said that some of it is due to the high level of construction in the state and Gulf Coast rebuilding. Mr. Anderson noted that rail and trucking are at capacity. In addition, railroads are tending to carry higher value products at the expense of high-weight, low-value commodities.

Mr. Anderson then addressed the impact of these factors on recent bids. He said that the State's estimate was \$59.7 million for the US-60 widening from Gilbert to Power Road project. Two bids were received and the low bid was \$73.7 million, which was 23 percent over the estimate. Mr. Anderson stated that the State's estimate was \$52.4 million for the Red Mountain, University to Southern project. He said that only one bid was received in the amount of \$68.4 million, which was 38 percent over the estimate. Mr. Anderson stated that the State's estimate for the I-17, Cactus Road traffic interchange project was \$3.6 million. One bid was received in the amount of \$5.9 million, which was 64 percent over the estimate. Mr. Anderson noted that

this summer, bids received were 20 to 45 percent higher than estimates. He added that ADOT is currently raising cost estimates to reflect current prices.

Mr. Anderson advised that the strategies may vary whether the current situation is a result of short term price spikes that will come back down, higher prices that will form a new plateau, or prices that will continue to climb. He said that the situation will continue to be monitored.

Mr. Anderson stated that a Task Force with ADOT and industry representatives are examining program delivery options, such as cost adjustment clauses and the size of projects. He said that a progress report will be given to the TPC in January 2006. Mr. Anderson stated that contingencies were built into the RTP. He said that one piece of good news is that revenue from the sales tax was up 18 percent in the July to September period, which is a record level. Mr. Anderson noted that ADOT has been looking at the main source of this increase, and it seems to be coming from all sectors. He added that this rate of growth probably will not continue.

Chair Hutchinson asked Mr. Anderson if he had ever seen the situation so critical before. Mr. Anderson replied that there were a lot of issues with Proposition 300. He said that there is now increased communication among agencies and dialogue taking place between ADOT and contractors that never happened after the 1985 vote. Mr. Anderson indicated that it is a serious concern. We need to produce a fiscally balanced plan and are taking proactive measures to deal with it now.

Mr. Buskirk commented that low number of bids being received is also impacting the prices being paid.

Mr. Rumpeltes asked if assembling a database of comparable costs, unit pricing, etc. was being considered. Mr. Anderson replied that ADOT maintains such a database on the highway side. He added that developing such a database for street projects was discussed recently by the MAG Street Committee.

9. Presentation and Discussion of the Status of Freeway Projects by Corridor

Mr. Anderson reported on the implementation of Phase 1 of RTP by ADOT. He displayed a map of widenings and improvements to the existing corridors of Grand Avenue, SR-85, I-10, Loop 202 and US60. Mr. Anderson reviewed the HOV lane projects on SR-51, Loop 101 and Loop 202 and HOV and general purpose lanes on I-17, I-10, and US-60. He then showed the new freeway corridors and right-of-way for Loop 303 and Loop 202 (South Mountain). Mr. Anderson explained the ongoing and upcoming studies on corridors.

Mr. Anderson moved on to more detail on the South Mountain project. He said that the Environmental Impact Statement was initiated in 2001, and completion is expected in 2007. Mr. Anderson noted that three connections with I-10 being considered: the MAG-adopted connection at 55th Avenue, one at 71st Avenue, and one at Loop 101. He advised that at this time, Pecos Road is the only alignment being considered because the Gila Indian Community has not indicated it will allow the freeway onto its land. Mr. Anderson displayed a map that showed the three options for a connection to I-10. He noted that three public meetings on the alignment will be held by ADOT during the month of November, with a preliminary recommendation from

ADOT and FHWA is anticipated in February or March 2006. Mr. Anderson advised that an alignment change from the MAG-adopted connection would require a major amendment to the RTP. Chair Hutchinson thanked Mr. Anderson for his report. No questions from the Committee were noted.

10. Request by Maricopa County for Financial Participation in the Human Services Campus

David Smith, Maricopa County Administrator, reported on the Human Services Campus that opened November 7, 2005. He said that the Campus is a partnership of private, faith-based, and government agencies to create a solution for homelessness. He said that the funding goal was 50 percent private and 50 percent public. Mr. Smith said that the Campus houses state, county and nonprofit services for the homeless, including Central Arizona Shelter Services, Maricopa County Healthcare for the Homeless, NOVA Safe Haven, St. Vincent de Paul and St. Joseph the Worker. Mr. Smith displayed the Campus plan. He noted that a key facility at the Campus is the Day Resource Center, which was instrumental in getting 300 people off the street in the past 16 months. Mr. Smith noted that completion of Phase 2 of the Campus is anticipated in January 2007.

Mr. Smith stated that the Campus is projected to impact the community and economy by revitalizing the area and being a significant employer. He said that the County conducted an economic study that showed shelters are more cost effective in providing health care on a preventive basis than other settings. Mr. Smith added that the Public Health Department and the Emergency Planning Department are currently working on a collaborative approach to help homeless people deal with the summer heat.

Mr. Smith stated that total construction costs are estimated to be \$24.6 million, to be paid through a private and public partnership including Maricopa County and the City of Phoenix. He said that \$20.7 million in cash has been committed, leaving a \$4 million gap. Mr. Smith displayed a list of public and private donors to the Campus. He stated that Maricopa County is requesting assistance from the remaining MAG member agencies to help with \$1 million of funding for the project.

Mr. Smith then explained the Point in Time Procedure, a survey where clients were asked which cities they lived in prior to intake at Central Arizona Shelter Services. Mr. Smith noted that the survey showed that homeless people lived in cities throughout the region. He then presented a tentative chart of proportional share of the \$1 million that was put together based on population. Mr. Smith noted that Phoenix was not included on the list because it had already given a substantial amount of money to the Campus. He stated that cities could spread their pledge over a period of years or in conjunction with the creation of an additional funding stream. Mr. Smith stated that the Human Services Campus is mainly for adult men and women and there is a need for facilities for families and domestic violence victims. If a fund is created, money every year could pay off the campus and create opportunities for developing regionally sited facilities specific to the needs of communities.

Chair Hutchinson expressed his appreciation to Mr. Smith for his leadership in this issue and complimented him on the fund raising. He commended the County and the City of Phoenix for the efforts.

Mr. Ellis stated that the Campus is a great project and model for the country. He said that homelessness is a regional problem and extended his congratulations to the County and Phoenix for their efforts to bring the Campus to the region. Mr. Ellis stated that when his city begins the budget process, he will recommend his city provide its share of the funding.

Mr. Rumpeltes echoed Mr. Ellis's comments. He said he had spent 20 years in county government and there is never enough money to pay for all projects.

11. Election of Management Committee Officers

At the June 15, 2005 Management Committee meeting, an election was held to select the positions of Chair and Vice Chair. Recently, Mike Hutchinson, Chair of the Management Committee, has announced that he is retiring from his city management position by the end of calendar year 2005. Traditionally, the Chair and Vice Chair have served for two one-year terms. The current Chair and Vice Chair are nearing the end of serving their two one-year terms (June 30, 2006). In the past, these positions have rotated to achieve geographic balance for the officers. The practice has been to have the outgoing Chair be responsible for working with members to nominate a Manager for the vacated Vice Chair position. In doing so, the Chair would pay particular attention to seeking a nominee which provides geographic balance in the Chair and Vice Chair positions. The current Vice Chair would, as in the past, be nominated for the Chair position.

Mr. Martinsen moved to nominate Ed Beasley as Chair and Jan Dolan as Vice Chair to serve the remainder of the term to June 30, 2006. Mr. Fairbanks seconded, and the motion carried unanimously.

12. Comments from the Committee

An opportunity will be provided for Management Committee members to present a brief summary of current events. The Management Committee is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

Mr. Beasley presented a Resolution of Appreciation to Mr. Hutchinson for his dedicated service to the MAG region over the years. Mr. Beasley stated that Mr. Hutchinson dealt with issues using patience and dignity. He said that Mr. Hutchinson is a model for those who worked with him and for those who wish to enter the profession.

Mr. Hutchinson thanked the Committee. He said that he has worked with Dennis Smith and MAG for years. MAG has experienced some bumps, but has solved some serious regional issues. Mr. Hutchinson complimented Mr. Smith and his staff, member agency staff, and intergovernmental representatives for their work on complicated issues. He said that the member agencies accomplish great things through the MAG organization and should be proud.

Mr. Rumpeltes expressed his thanks to Dennis Smith for coming to the Surprise Citizens Academy for an evening presentation on transportation, which is his city's number one priority. Mr. Rumpeltes noted that he heard many comments on how good the presentation was.

There being no further business, the meeting adjourned at 1:45 p.m.

Chairman

Secretary